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**COMMUNITY-USA DISPUTE OVER ENLARGEMENT :
agreement in principle on interim solution**

Following intensive discussions aimed at averting a major EEC-USA trade crisis, Mr Willy DE CLERCQ, Member of the Commission with special responsibility for external relations and trade policy, and Mr Clayton YEUTTER, the United States Special Trade Representative, have reached agreement in principle on an interim solution to the dispute precipitated by the effects in the agricultural sector of Spain's accession to the Community.

"The arrangement agreed on - under what were initially extremely difficult conditions - is a reasonable compromise," Mr DE CLERCQ said, "which will avert the danger of a major trade war without compromising the principles on the basis of which we entered into these negotiations, viz. respect for the principles of the common agricultural policy and for the accession treaties. Furthermore the arrangement arrived at will not work to the detriment of the Community's maize producers, given the probable development of the Community cereals market. Lastly, constituting as it does a temporary solution, it in no way prejudices the outcome of the general negotiations on the Community's enlargement being held under Article XXIV (6) of the GATT."

Details of arrangement :

- The solution adopted is a short-term one to apply from 1 July to 31 December 1986.

- During this six-month period, the Community will monitor the development of American exports of five products : maize, sorghum, corn gluten feed, brewer's grains and citrus pellets. All these products are used for the same purpose - animal feed - and the import arrangements governing them changed on 1 March 1986, in the case of the first two to the disadvantage of American exporters and in the case of the other three to their advantage.

Should American exports of these products fall below 234 000 tonnes per month in the said period, the necessary measures will be taken to ensure the balance is indeed imported by the Community. The figure of 234 000 tonnes per month corresponds to the monthly average of the relevant American exports in 1985 (allowing for a slight seasonal variation).

The said balance will be imported by a reduced levy quota, the levy being fixed by tendering procedure.

This mechanism will come into operation in October.

- The Community and the United States undertook to accelerate the negotiations under Article XXIV(6) of the GATT with a view to concluding them at the end of December 1986.